

# EXECUTIVE DEPARTMENT OFFICE OF MANAGEMENT AND BUDGET Budget Development, Planning and Administration State Planning Coordination

January 15, 2009

Mr. Kenneth Bieri New Castle County Department of Land Use 87 Reads Way New Castle, De 19720

RE: PLUS review 2008-12-01; New Castle County

Dear Mr. Bieri:

Thank you for meeting with State agency planners on December 17, 2008 to discuss the proposed text amendment to revise the Workforce Housing Ordinance.

Please note that changes to the ordinance, other than those suggested in this letter, could result in additional comments from the State. Additionally, these comments reflect only issues that are the responsibility of the agencies represented at the meeting.

This office has received the following comments from State agencies:

#### Office of State Planning Coordination – Contact: Herb Inden 739-3090

The issue of facilitating greater housing choices for all income levels, especially with regards to affordable housing is a demanding task. Addressing affordable housing is rightly a key goal of the County's comprehensive plan and is especially pertinent in these trying economic times. It is also a multi-faceted issue that must be addressed at a variety of levels as clearly there is not a "one size fits all" approach to the issue of housing affordability as different economic situations require different strategies.

The use of a Workforce Housing ordinance as one of the tools to address affordable housing is to be commended and supported. We feel that it is important to not preclude housing options as this amendment suggests, as, again, there is not a "one size fits all" housing type that can meet the needs for working families.

In addition to suggestion from the other state agencies included in this letter we would recommend your consideration of the following:

- ♦ Whenever there is an opportunity to increase density, we recommend that such density be achieved through the use of a transfer of development rights (TDR) program. This would help minimize the overall impact to a particular area by keeping expected populations as projected and also help minimize the consumption of land;
- Create an incentive for hamlet and village developments that incorporate this type of
  housing such as pre-permitting areas where you would expect such developments to
  occur and using the likes of master planning to identify such areas; and,
- Create a sliding scale for the ability to achieve greater density based on locational considerations such as, for example, taking the Delaware Strategies for State Policies and Spending maps, allowing maximum densities in Levels 1 and 2 areas and less in a Level 3 area.

This office stands ready to work with the County in implementing any of your affordable housing and other strategies.

#### State Historic Preservation Office (SHPO) – Contact: Terrence Burns 739-5685

No comments received.

#### **Department of Transportation – Contact: Bill Brockenbrough 760-2109**

New Castle County is considering amendments to its Workforce Housing incentives. Three pieces of legislation were included in the PLUS package: Ordinance 08-121, which appears to be the pending amendments; Ordinance 09-113, which would temporarily stay the relevant sections of the Unified Development Code, and Substitute No. 1 with Floor Amendment No.1 to Ordinance No. 07-150, which appears to be the original ordinance that was passed in February 2008. DelDOT understands that a temporary stay passed on December 9. Therefore they have limited their comments to Ordinance 08-121.

The proposed ordinance would restore the County's ability to require traffic impact studies for Workforce Housing Plans and would remove the sentence "Up to fifty (50) workforce dwelling units may be excluded from the traffic impact study." Both of these are good changes. DelDOT can understand that the County may find it appropriate to exempt workforce housing developments from certain requirements with regard to infrastructure by, for example, lowering their level of service standards. However, in

their view it is important that the County first understand the impacts of a proposed development before it grants such exemptions.

Regarding the sentence that "Up to fifty (50) workforce dwelling units may be excluded from the traffic impact study," this exclusion understates the proposed development's impact by an undefined amount. It is also unclear who would determine how many units could be excluded if it was anything less than 50. DelDOT strongly supports the removal of this sentence.

# <u>The Department of Natural Resources and Environmental Control - Contact:</u> <u>Kevin Coyle 739-9071</u>

DNREC is generally supportive of the concept, as long as the increased density occurs in designated growth areas identified in the certified Comprehensive Land Use Plan, and all environmental protections/regulations remain in force.

DNREC notes the deletion of apartments and other "alternative" housing styles from the revised ordinance. Not only does a diverse mix of housing, including multi-family, provide more affordable options for older and working Delawareans, the increased yield (along with exacting design standards) reduces the consumption of land caused by lower-density development and its impact on environmental resources. It also enables the county and state to provide infrastructure such as sewer, roads and transit more cost-effectively.

#### **State Fire Marshal's Office – Contact: Duane Fox 856-5298**

The State fire Marshal's Office has no comments regarding the amendment.

#### Department of Agriculture - Contact: Scott Blaier 739-4811

The Delaware Department of Agriculture supports the proposed County amendment in principle. In the future, the Department will comment on "site specific" projects based on any impact they may have on agriculture.

#### Public Service Commission - Contact: Andrea Maucher 739-4247

Any expansion of natural gas or installation of a closed propane system must fall within Pipeline Safety guidelines. Contact: Malak Michael at (302) 739-4247.

# <u>Delaware Economic Development Office – Contact: Jeff Stone 672-6849</u>

No comments received.

## <u>Delaware Division of Public Health- Health Promotion Bureau- contact Michelle</u> Eichinger (302) 744-1011

No comments received

#### **Delaware State Housing Authority – Contact Vicki Powers 739-4263**

DSHA has reviewed New Castle County text amendment to revise the Workforce Housing Legislation. Through the planning and County legislative process in late 2007 and early 2008, DSHA supported and continues to support the County's Workforce Housing Opportunities ordinance. It is one of several strategies outlined in the Housing Element of the County's Comprehensive Plan, and we are pleased to see the County taking a strong initiative to implement these strategies.

DSHA hopes that the County will consider the following comments on the proposed amendments to the Workforce Housing Ordinance:

- 1) Rental Housing (Sec. 40.07.312): Rental housing is vital to creating a balanced housing stock that is responsive to the needs of a community's workforce. As noted in our earlier letters commenting on the original ordinance, DSHA has encouraged the County to target the broadest range of incomes, housing types and tenures possible in order to address the full range of the County's workforce housing needs. DSHA understands that the County plans to promptly return to the issue of rental housing after the successful passage of these amendments. They hope that the County will carefully and vigorously approach this issue and gather input from advocates, housing practitioners and other stakeholders in this process.
- 2) 35% of Income for Housing Costs (Sec. 40.07.352, Section 2 Affordable Price): A standard ratio is that housing debt and associated costs should not exceed 28 30% of household income, and 33% at most. Increasing the allowable percentage from 30% to 35% for housing costs alone approaches the percentage many lenders consider standard for a household's housing costs *plus* its other debt (frequently 36-38%). This may also inflate the home prices allowable in the program. To ensure that the County is promoting and advancing sustainable homeownership, DSHA encourages the County to retain the 30% measure of household income for housing costs for both low- and moderate-income households.
- 3) Restrictions on Housing Types (Sec. 40.07.322, F.): The use of semi-detached, attached and/or multi-family dwelling units is often vital to creating mixed-income developments and in order to make homes affordable to households with lower-incomes. DSHA hopes that this restriction will not be prohibitive to the use of semi-detached, attached and multi-family dwellings in the program, and encourage the County to continue to allow the use of alternative dwelling unit types in the workforce housing program.

### **Department of Education – Contact: John Marinucci 735-4055**

- 1. Sec. 40.07.311. Voluntary applicability
  - C. All existing record plans revised pursuant to this section will require an exploratory plan hearing, certification from the Department of Education that there is capacity or that a voluntary assessment is agreed to, *pursuant to the revised plan*, and County Council approval prior to recordation.

DOE suggests adding the italicized language to the referenced section for clarity.

Thank you for the opportunity to review this amendment. We look forward to working with you as it moves forward toward adoption. If you have any questions, please contact me at 302-739-3090.

Sincerely,

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Constance C. Holland, AICP Director, Office of State Planning